

# SENATE BILL REPORT

## SB 5877

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As Reported by Senate Committee On:  
Labor, Commerce & Consumer Protection, February 23, 2009

**Title:** An act relating to the sale of liquor-related products in state liquor stores.

**Brief Description:** Concerning the sale of liquor-related products in state liquor stores.

**Sponsors:** Senators Prentice and Kohl-Welles; by request of Liquor Control Board.

**Brief History:**

**Committee Activity:** Labor, Commerce & Consumer Protection: 2/19/09, 2/23/09 [DP-WM, DNP].

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### SENATE COMMITTEE ON LABOR, COMMERCE & CONSUMER PROTECTION

**Majority Report:** Do pass and be referred to Committee on Ways & Means.  
Signed by Senators Kohl-Welles, Chair; Keiser, Vice Chair; Franklin and Kline.

**Minority Report:** Do not pass.  
Signed by Senators Holmquist, Ranking Minority Member; Honeyford and King.

**Staff:** Mac Nicholson (786-7445)

**Background:** Spirits, beer, and wine can be purchased at state liquor stores or contract liquor stores. State liquor stores do not have the authority to sell liquor-related products.

**Summary of Bill:** State liquor stores are authorized to sell liquor-related products.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: This proposal will help generate additional revenue to fund essential state and local services. The bill allows liquor-related products in

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liquor stores, including barware and ice. These are items that liquor store customers ask for frequently. This will provide customers with added convenience. Contract liquor stores currently have the ability to sell these products, and this bill allows state liquor stores to do the same. Spirits are sold in state liquor stores, but the stores are sterile. It is a no brainer to allow the LCB to sell products designed to be used with spirits. It makes sense to allow state stores to merchandise items customers are asking for.

CON: Any dollar leaving retail grocery stores to go to the state in direct competition is not supportable at this time. In these economic times, every dollar counts for grocers. Grocery stores already pay sales tax and business and occupation tax. There is no definition of liquor-related items, and selling secondary items could give minors a reason to go into a liquor store. The state should not be in direct competition with stores that do sell these sorts of items.

**Persons Testifying:** PRO: Rick Garza, Washington State Liquor Control Board; Dave Ducharme, Distilled Spirits Council of the U.S.; Luis Moscoso, WPEA/UFCW 365; Scott Hazlegrove, Wine Institute.

CON: Carolyn Logue, Washington Food Industry; Holly Chisa, North West Grocery Association.